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# State Dept. Braces for Congressional Budget Squeeze

## *As Christopher Argues Against Cuts in Diplomatic Operations Funds, Officials Face Reality*

By Thomas W. Lippman
Washington Post Staff Writer

For all the attention Senate Foreign Relations Committee Chairman Jesse Helms (R-N.C.) is attracting with his plan to reorganize the nation's foreign policy apparatus, his bill is "not the big enchilada" on the State Department's agenda in Congress, a senior department official said the other day.

"The big enchilada," she said, "is the money. You can't lead without resources."

Her comment reflected the near-panic that has overtaken the State Department because of congressional budget-cutters' proposals for substantial trims in the so-called 150 Account, which funds both foreign aid and operation of U.S. diplomatic posts abroad.

Secretary of State Warren Christopher appealed to the House International Relations Committee on Thursday not to support the cutbacks recommended by the House Budget Committee—which has proposed to trim an average of more than $2 billion a year, or about 10 percent, from the 150 Account. Christopher was talking not only about foreign aid but also about the funds needed to operate U.S. embassies and consulates, the outposts of U.S. diplomacy.

"The resources we are requesting are the rock bottom minimum that we need to advance our nation's vital interests," he said. Christopher said the United States "spent trillions of dollars to defend the free world during the Cold War. It would be a historic mistake if we now refused to spend a tiny fraction of that sum to consolidate the remarkable gains we have made."

Christopher and other State Department officials argue that further cutbacks would be penny-wise and pound foolish. They say spending on diplomacy is like spending on dental care or auto maintenance: not pleasant, perhaps, but essential to forestall disasters later on.

But behind their public statements, State Department officials are scrambling to deal with what they see as a reality, the need to trim operations here and abroad. Every aspect of the State Department's work is being subjected to a "Do we really need to do this?" review conducted by Undersecretary of State Richard M. Moose.

Christopher has ordered senior aides to answer 19 questions that will help him decide what to cut and what to keep, questions such as: "Are there functions which can be transferred from overseas to Washington without a loss of effectiveness?" "What criteria should govern those posts to be closed, consolidated and reduced in size?" "How can we pursue our interests in countries where we have no embassies?"

The idea that there could be countries where the United States recognizes the government and has diplomatic relations with it but maintains no embassy may sound like the State Department equivalent of the proverbial Smokey Bear scare: If you cut our budget that much we'll have to put Smokey to sleep.

But Christopher said the squeeze is real. He told the International Relations Committee that the State Department has already closed 17 posts overseas since the beginning of the Clinton administration—mostly consulates in non-capital cities such as Genoa and Martinique—and that "there are now 1,100 fewer people at State than when I arrived."

Meanwhile, other State Department officials said, the demands on the department have, if anything, increased, because for every consular post closed in a nonessential city, an embassy had to be opened in a sensitive new country as the Soviet Union and Yugoslavia broke apart. According to the General Accounting Office, the U.S. government employs about 18,900 U.S. citizens at its embassies and consulates. Each costs the government about $352,000 a year when all expenses for security, transportation, hardship pay and other extras are included, the GAO said in a December report. For Washington-based employees, the average annual cost is $109,000.

The Clinton administration is seeking $21.2 billion in the 150 Account for fiscal 1996, almost exactly the same as total spending for the current year.

That figure "represents only 1.3 percent of total federal spending," Christopher said, urging the House panel to "consider what we get" for it: "Our budget protects American lives by combating the spread of nuclear weapons, the threat of terrorism and the scourge of drugs. It supports American jobs by promoting U.S. exports and creating new markets in developing countries. And it gives force to the principles America stands for by bolstering human rights and democracy around the world."

He said he was "deeply disturbed" by a House Budget Committee recommendation that the 150 Account absorb $11 billion of its proposed $100 billion in discretionary spending reductions over the next five years.

"These proposed cuts would damage our ability to protect America's security, promote our prosperity and advance our nation's interests around the world," he said.

Republicans seemed unmoved.

"The Clinton administration has, with this budget, stated that its policy is, regrettably, business as usual," said International Relations Committee Chairman Benjamin A. Gilman (R-N.Y.)

Maybe the 150 Account is only 1.3 percent of federal spending, observed Rep. Jay Kim (R-Calif.), but "1.3 percent of $1.6 trillion [total federal spending] is still lots of money."